

## **DEPARTMENT OF THE ARMY**

## HEADQUARTERS UNITED STATES ARMY FORCES COMMAND 1777 HARDEE AVENUE SW FORT MCPHERSON GEORGIA 30330-1062

REPLY TO ATTENTION OF

AFLG-PROA (715)

12 Jan 99

## MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 99-11, Small Disadvantaged Business Price Evaluation Preference Study

- 1. Small Disadvantaged Business (SDB) Price Evaluation Preference Study. The Minority Business Enterprise Legal Defense and Education Fund (MBELDEF), Inc., has a contract to conduct a study of the use of price preferences for small disadvantaged businesses by the Department of Defense (DoD). The study effort is designed to assist DoD in making policy assessments and policy recommendations regarding possible modifications to the use and implementation of SDB price preferences.
- 2. The MBELDEF will focus on the effects of the SDB price preferences on SDB capacity and competitiveness. The study will also seek to determine what, if any, long term benefits DoD might derive from the use and possible modification of the price preference mechanism (i.e., enhanced competition). The study is not designed to audit DoD personnel practices in implementing the SDB price preference procedures.
- 3. The study will require MBELDEF to interview DoD personnel who play a role in identifying procurements for application of price preferences. These interviews will be of brief duration and will focus on opinions and recommendations of field personnel regarding the use of price evaluation procedures. The interviews will provide the contractor the insight necessary to determine how this mechanism might be more effectively and appropriately used in the future. Through the interviews, the contractor will also endeavor to identify and obtain data and documents (e.g., sample contract files and summary reports) that provide information and guidance on the application of the price

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preference and its effect on procurement efficiencies and other costs to the DoD.

- 4. The contractor is committed to minimizing the administrative burden to DoD in conducting this study.
- 5. For additional information, contact Irene Hamm, DSN 367-5632, hammi@forscom.army.mil.

BEVERLY Y. THOMAS

Act Ch, Contr Division, DCSLOG